

CONVENTION CENTER

DEPARTMENT MISSION STATEMENT:

To aggressively market the Convention Center complex to serve the entertainment, assembly, and cultural needs of the Fresno area providing superior customer service, efficient operation and safe, clean facilities for our patrons.

The Fresno Convention Center was opened in October of 1966. The success of the complex was greater than ever expected by even the most optimistic supporters. It was the last word in functional efficiency for cultural, social, and convention use in the Central Valley area.

Originally the complex consisted of three separate buildings that sat under one roof line and were separated by 90 foot mall ways. The three entities consisted of the William Saroyan Theatre, the 32,000 square foot Ernest Valdez Exhibit Hall with 12 meeting rooms, and the Selland Arena which seated 6,500.

The complex now spans over five city blocks and boasts five separate facilities. The expansion of Selland Arena in 1981 brought a seating capacity of 11,300. The exhibit hall was renamed Exhibit Hall South in December 1999 upon the completion of the new 77,000 square foot exhibit hall which encompasses 25 meeting rooms in addition to housing the Center's administration and operation divisions.

Last year's opening of the Save Mart Center, a world class 15,000 seat facility located at Fresno State, presented the first direct, substantial competition the Center faced. In an effort to remain competitive and apply resources towards renovation of the 37 year old facility the City negotiated a contract with SMG to operate and market the Fresno Convention Center. SMG is the largest facility operating company in the world and provides unprecedented marketing strength, expertise, and resources to the enterprise.

Key Result Area: Investment in Our City

Goal: All business park and downtown infrastructure completed by 2009.

Construct a new 5-story, 1,573-space Convention Center Parking Garage. The development agreement for the Federal Courthouse obligates the City of Fresno to construct 500 new parking spaces to be available for courthouse use. The garage will provide the committed parking spaces, other weekday daily and permit parking for the Federal courthouse, as well as the much needed capacity for weekend and evening Convention Center activity. In addition, the garage will provide an overflow resource for existing land uses, such as the 5th District Court of Appeals and the Chamilian Office Building currently under construction.

Resources: Included in Capital appropriations - \$23,835,800

Key Result Area: Environmental Stewardship

Goal: Secure and preserve significant natural, historical and cultural assets by 2010.

As events are the life blood of a facility, SMG seeks to increase the number of events brought to our facilities. SMG is uniquely positioned to be an effective advocate for a facility. As operators of over 1.4 million entertainment seats worldwide, the SMG Sports and Entertainment Division maintains a daily dialog with the entertainment industry which results in enhanced programming opportunities.

SMG conceives, develops, produces, and promotes a wide variety of entertainment attractions and special events to fill available dates within a facility's traditional schedule of activities. SMG enjoys excellent relationships within the industry among booking agents; artist management; major performing art agencies; and local, regional and national promoters, international family shows, and major performing arts agencies.

Resources: Included in appropriations - \$5,097,000

Key Result Area: Customer Service

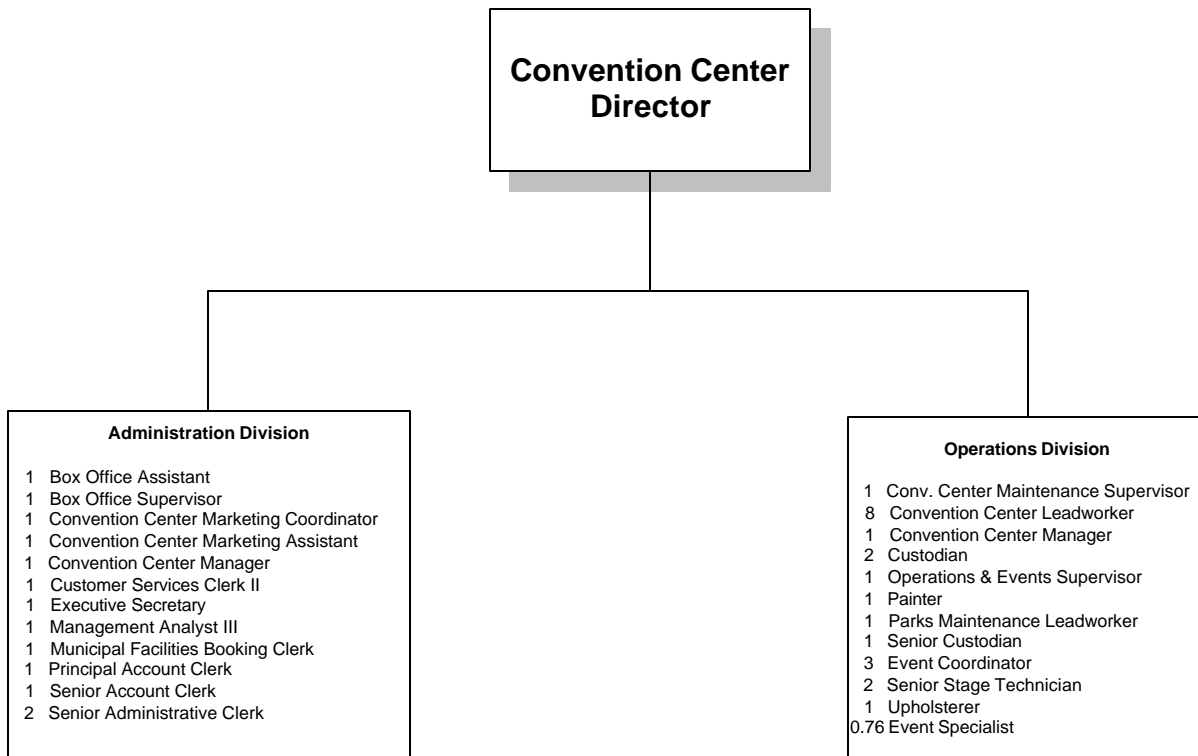
Goal: 90 percent of customers choose our services if given the choice by June 2006.

The City of Fresno, in partnership with SMG and the Convention and Visitor's Bureau, will maximize the number and quality of events and conferences by implementing quality control measurements to fulfill our community's entertainment appetite.

Resources: Included in appropriations - \$790,000



ORGANIZATION CHART - FY 2005



36.00 Permanent Full-Time Equivalent Positions
0.76 Permanent Part-Time Equivalent Positions
36.76 Authorized Positions

Note: The positions in the Convention Center Administration and Operations Divisions are shown as full year positions. However, please note that all positions are authorized until December 31, 2004.

AUTHORIZED POSITIONS SUMMARY

DIVISION	FY 2003	FY 2004	FY 2005
Administration Division	14.75	14.75	14.00
Operations Division	29.84	23.75	22.76
Convention Division	1.00	0.00	0.00
FTE Total	45.59	38.50	36.76

DEPARTMENT FUNDING BY SOURCE

	FY 2002 Actuals	FY 2003 Actuals	FY 2004 Amended	FY 2005 Adopted
Operating Fund				
Fund Balance	\$ 1,005,200	\$ 552,400	\$ 108,000	\$ 177,400
Revenue from Operations	3,570,300	4,245,900	3,629,000	4,041,000
Leases	98,400	81,500	0	110,000
General Fund	3,897,700	4,056,900	1,976,100	1,846,000
Transfers-Out to General Fund	0	0	(95,000)	0
Transfers-Out to Debt Service	(1,514,000)	(1,888,500)	0	0
TOTAL OPERATING RESOURCES	\$ 7,057,600	\$ 7,048,200	\$ 5,618,100	\$ 6,174,400

DEPARTMENT APPROPRIATIONS

	FY 2002 Actuals	FY 2003 Actuals	FY 2004 Amended	FY 2005 Adopted
Expenditures				
Operating Expenditure	\$ 6,440,200	\$ 6,785,500	\$ 5,618,100	\$ 5,887,000
TOTAL EXPENDITURES OPER FUND	\$ 6,440,200	\$ 6,785,500	\$ 5,618,100	\$ 5,887,000

CONVENTION CENTER DEBT SERVICE FUND

	FY 2002	FY 2003	FY 2004	FY 2005
	Actuals	Actuals	Amended	Adopted
Debt Service Fund				
Fund Balance	\$ (2,666,900)	\$ (2,658,400)	\$ (3,578,500)	\$ (2,773,400)
Convention Center Operating Fund	1,514,000	1,538,500	1,533,000	0
General Fund	1,750,000	2,222,900	2,222,900	4,494,000
Leases	30,000	25,000	0	0
CSUF Athletic Corp Contribution	70,000	70,000	0	0
Tax Increment -RDA	294,700	311,600	324,100	0
Other Revenue	209,000	0	0	0
Interest	(112,200)	(65,300)	(120,000)	0
TOTAL DEBT SERVICE RESOURCES	\$ 1,088,600	\$ 1,444,300	\$ 381,500	\$ 1,720,600
Trustee Fees	\$ 8,500	\$ 7,500	\$ 15,000	\$ 15,000
Debt Redemption	3,878,500	3,922,800	4,065,000	4,479,000
TOTAL DEBT SERVICE EXP	\$ 3,887,000	\$ 3,930,300	\$ 4,080,000	\$ 4,494,000

STADIUM DEBT SERVICE FUND

	FY 2002	FY 2003	FY 2004	FY 2005
	Actuals	Actuals	Amended	Adopted
Fund				
Fund Balance	\$ 0	\$ 0	\$ 1,058,800	\$ (409,000)
Transfer from General Fund	0	94,300	76,700	1,548,500
Transfer from Parking Fund	0	620,500	620,500	620,500
Redevelopment Agency	0	0	200,000	200,000
Interest	0	2,000	800	0
Leases	0	164,000	1,500,000	1,500,000
TOTAL DEBT SERVICE	\$ 0	\$ 880,800	\$ 3,456,800	\$ 3,460,000
Trustee Fees	\$ 0	\$ 5,200	\$ 10,000	\$ 10,000
Debt Redemption	0	227,100	3,446,000	3,450,000
TOTAL	\$ 0	\$ 232,300	\$ 3,456,000	\$ 3,460,000

BUDGET COMMENTS

SERVICE IMPACTS:

- Throughout the year, the Fresno Convention Center will host community related events, often referred to as special projects. These events continue to be funded at the current level.
Cost: \$50,000
- The City of Fresno continues to fund the Fresno Convention and Visitor's Bureau to solicit conventions and promote tourism.
Cost: \$740,000
- Positions are budgeted through December 2004, consistent with the contract with SMG. All employees have one year, starting January 1, 2004, to opt for a position in the City or work for SMG.
- SMG Management Company is currently conducting a facility needs assessment to update the 1999 report of significant capital issues to be addressed at the Fresno Convention Center. Results and mitigating options will be reported to the Council upon completion and staff review of the report.

